

# BE Q1

Interim report  
BE Group AB (publ)  
January – March 2012  
Malmö, April 25, 2012



## FIRST QUARTER 2012

- Net sales fell by 5 percent compared with the year-earlier period, amounting to SEK 1,436 M (1,519). Shipped tonnage fell by 1 percent.
- The operating result weakened to SEK 35 M (45) and the underlying operating result<sup>1)</sup> was SEK 43 M (47).
- Profit after tax was SEK 19 M (23).
- Earnings per share<sup>2)</sup> amounted to SEK 0.38 (0.46).
- The largest production service order to date was signed with Volvo Construction Equipment.

<sup>1)</sup> Operating result (EBIT) before non-recurring items, adjusted for inventory gains and losses.

<sup>2)</sup> Earnings per share are both before and after dilution.

**BE Group**, listed on the Nasdaq OMX Stockholm exchange, is a trading and service company in steel and other metals. BE Group provides various forms of service for steel, stainless steel and aluminium applications to customers primarily in the construction and engineering sectors. In 2011, the Group reported sales of SEK 5.9 Bn. BE Group has slightly more than 900 employees in ten countries, with Sweden and Finland as its largest markets. The head office is located in Malmö, Sweden. Read more about BE Group at [www.begroup.com](http://www.begroup.com).

## Developments in the first quarter of 2012

### Group

Net sales fell by 5 percent compared with the preceding year, amounting to SEK 1,436 M (1,519). The decrease is due to a tonnage decline of 1 percentage point and the sales price that was 4 percent lower than in the year-earlier period. In comparison to the fourth quarter of 2011, the sales price was 2 percent lower.

Consolidated gross profit amounted to SEK 197 M (215), with a gross margin of 13.7 percent (14.1). The underlying gross margin strengthened, amounting to 14.2 percent (13.9).

Operating profit fell to SEK 35 M (45). Adjusted for inventory losses of SEK 8 M (gains 2), underlying operating profit was SEK 43 M (47). The profitability improvement measures adopted in the fourth quarter of 2011 have been implemented according to plan. Results were affected positively by the savings achieved with about SEK 10 M and the full effect will be reached early in the second quarter. The operating margin amounted to 2.5 percent (2.9) and the underlying operating margin was 3.0 percent (3.1).

### NET SALES AND EARNINGS TREND IN THE FIRST QUARTER

(SEK M)

<b>Net sales 2011</b>	<b>1,519</b>
<b>Net sales 2012</b>	<b>1,436</b>
<b>Operating profit 2011</b>	<b>45</b>
Inventory gains	-2
Non-recurring items	4
<b>Underlying operating profit 2011</b>	<b>47</b>
Tonnage-, price-, mix- and gross margin effects	-8
Changes in overheads, etc.	4
<b>Underlying operating profit 2012</b>	<b>43</b>
Inventory losses	-8
<b>Operating profit 2012</b>	<b>35</b>

### Sales by sales channel

BE Group's sales are conducted through three channels: inventory sales, service sales and direct sales. Of total net sales for the first quarter, shipments from Group facilities accounted for 83 percent (82),

which is broken down as follows: inventory sales 53 percentage points (52) and service sales 30 percentage points (30).

### Sales trend by product area

Net sales of commercial steel fell 5 percent to SEK 1,053 M (1,108). Shipped tonnage decreased by 1 percent. Overall, commercial steel accounted for 73 percent (72) of BE Group's net sales. The sales price for commercial steel declined by 4 percent compared with the year-earlier period. Compared with the fourth quarter of 2011, the sales price fell by 2 percent.

BE Group's sales of stainless steel declined by 8 percent and amounted to SEK 246 M (267). The decline was attributable to sales prices being 10 percent lower than in the year-earlier period and 2 percent lower than in the fourth quarter of 2011. Shipped tonnage rose by 2 percent compared with the year-earlier period. The proportion of net sales represented by stainless steel amounted to 17 percent (17).

### Sales by customer segment

In the first quarter, OEM customers and their partners accounted for the largest share of sales, 48 percent (52); project customers for 24 percent (23); pre-processing companies for 19 percent (17); and retailers for 9 percent (8).

### Business areas

#### *Business Area Sweden*

The business area observed demand largely of the same level as that established in the immediately preceding quarter. Demand was stable from customers in both the engineering and construction sectors, although with a certain shift in the product mix.

Net sales fell by 6 percent to SEK 698 M (740). Shipped tonnage declined by 3 percent and the sales price fell by 2 percent. Compared with the fourth quarter of 2011, the sales price declined by 3 percent.

The operating result improved to SEK 20 M (17). Adjusted for inventory losses, underlying operating profit was SEK 22 M (21; when also adjusted for non-recurring costs). An increased proportion of production service sales, strengthened gross margin and implemented personnel cutbacks helped improve both the operating margin and the underlying operating margin.

During the quarter, an agreement was signed with Volvo Construction Equipment making BE Group the principal partner for plate processing for Volvo's

Arvika facility. This is BE Group's largest single production service order to date.

#### Business Area Finland

Compared with the situation in the second half of 2011, demand from customers in the engineering sector gradually improved over the quarter. Net sales fell 9 percent compared with the preceding year, amounting to SEK 499 M (546). Shipped tonnage fell 6 percent and sales prices in EUR declined by 2 percent. Sales prices fell by 3 percent compared with the fourth quarter of 2011.

The operating result declined to SEK 25 M (33) and, adjusted for inventory losses, the underlying operating result was SEK 33 M (33). An increased proportion of advanced production services have helped strengthen the underlying operating margin.

The proportion of total sales accounted for by production services was at a level comparable with the preceding year and amounted to 48 percent. The extension of the Lapua facility was completed during the quarter and was brought into operation at the end of the quarter. The degree to which the added production service capacity is utilized will gradually increase over the year. The total investment is calculated at SEK 18 M, of which SEK 8 M has affected cash flow to date.

#### Business Area CEE

BE Group's operations in the Baltic States and Slovakia continued to show growth during the quarter. In Poland and the Czech Republic, sales were lower than in the preceding year. Net sales for the business area as a

whole rose by 3 percent to SEK 271 M (264) as a consequence of an increase in shipped tonnage of 12 percent. The market situation was characterized by continued price pressure, which impacted margins negatively, and the sales price was 8 percent lower than in the year-earlier period and on the same level as the average price level in the fourth quarter of 2011.

Inventory consolidation and the streamlining of the product range in the Czech Republic, as well as the concentration of production services in Poland were largely completed in the quarter.

The operating loss amounted to SEK 4 M (profit 3) due to lower prices and weakened margins in the Polish and Czech operations. Adjusted for inventory gains, the underlying operating loss was SEK 6 M (profit 1).

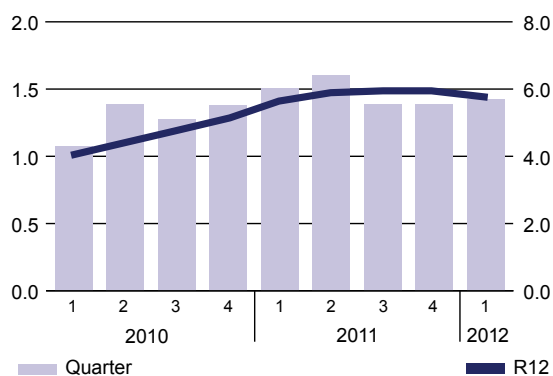
The new production facility in Trebaczew was brought into operation during the first quarter and the utilization of capacity will increase gradually over the year. During the quarter, the investment burdened cash flow by SEK 3 M. The total investment amounts to SEK 15 M.

#### Net financial items and tax

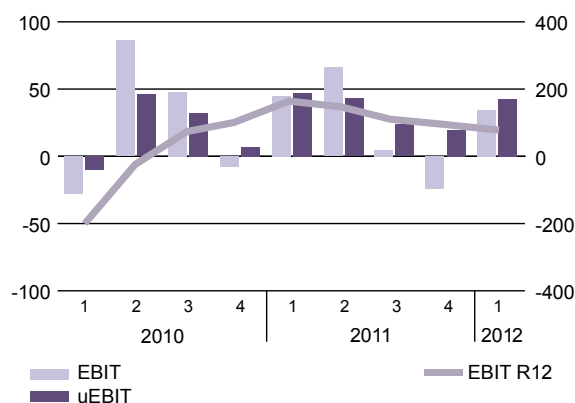
Consolidated net financial items for the first quarter amounted to an expense of SEK 9 M (9). On an annual basis, this corresponds to 4.8 percent (4.3) of interest-bearing net debt, which averaged SEK 789 M (812) during the quarter.

The tax expense for the quarter amounted to SEK 7 M (13), equivalent to 27 percent (36) of earnings before tax.

**Net sales, SEK Bn**  
Quarter and rolling 12 months



**Operating result (EBIT), SEK M**  
Quarter and rolling 12 months



## Cash flow

Cash flow after investments was a negative SEK 31 M (positive 63). The weakening is mainly explained by an increase in working capital since end of last year. Cash flow from operating activities was negative in the amount of SEK 15 M (positive 89). Cash flow from investing activities amounted to a negative SEK 16 M (26), while cash flow from financing activities was negative in the amount of SEK 11 M (positive 3).

## Capital, investments and return

At the end of the period, consolidated working capital amounted to SEK 473 M (478) and working capital tied-up was 8 percent (8).

Of the investments of SEK 17 M made during the period (28, of which SEK 9 M involved acquisitions), investments in intangible assets represented SEK 6 M (3). These relate to the development of the Group's IT platform. Investments in tangible assets amounted to SEK 11 M (16) and mainly involved production equipment in Finland and Poland.

The return on operating capital was 9 percent (11) and the return on capital employed was 8 percent (11).

## Financial position and liquidity

Consolidated cash and equivalents were SEK 104 M (146) at the end of the period. At the end of the quarter, the Group had unutilized credit facilities totaling SEK 373 M.

Consolidated interest-bearing net debt amounted to SEK 806 M (783) at the end of the period. BE Group's total credit facilities amount to SEK 1,268 M.

At the end of the period, consolidated equity

totalled SEK 824 M (811), while the net debt/equity ratio was 98 percent (96).

## Organization, structure and employees

The number of employees fell to 917 compared with 924 at the start of the year and 960 at the corresponding time last year. The average number of employees during the period amounted to 921 (935).

## Contingent liabilities

The Group's contingent liabilities amounted to SEK 112 M, unchanged since December 2011.

## Outlook

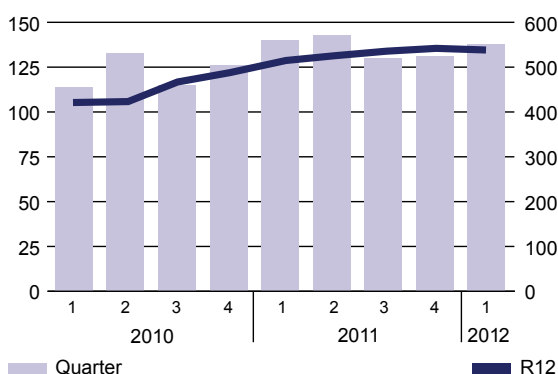
In the second quarter, based on signals from customers, we expect seasonally improved demand in the Group's markets in comparison to the first quarter. Prices for the Group's products are expected to rise somewhat early in the second quarter. The degree of utilization of the investments made is increasing and is expected to contribute positively to the Group's results over the remainder of the year.

## Parent Company

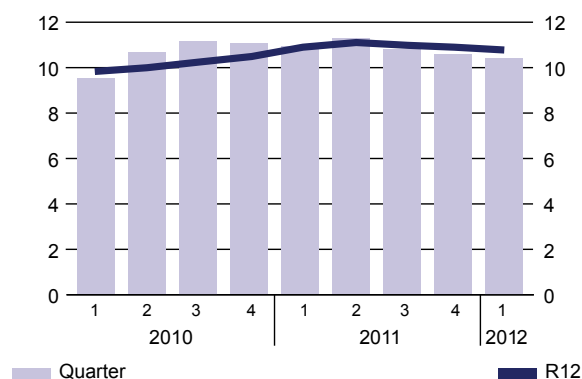
Sales by the Parent Company, BE Group AB (publ) amounted to SEK 15 M (14) during the period and derived from intra-Group services. The operating loss was SEK 9 M (10).

Net financial items amounted to SEK 30 M (20) due to increased dividends from subsidiaries of SEK 35 M (27). Profit before tax amounted to SEK 21 M (10) and the profit after tax amounted to SEK 25 M (15). The Parent Company invested SEK 5 M (3) in intangible assets during the period. At the end of the

**Tonnage, thousands of tonnes**  
Quarter and rolling 12 months



**Average sales prices, SEK/kg**  
Quarter and rolling 12 months



period, the Parent Company's cash and equivalents were SEK 37 M (82).

During the quarter, 33,273 shares in BE Group AB (publ) were transferred in connection with Share Savings Scheme 2009. At the end of the quarter, the Parent Company held 590,727 treasury shares.

### **Significant events after the end of the period**

No significant events have taken place after the end of the period.

### **Related-party transactions and significant changes in ownership**

No transactions took place between BE Group and related parties that had a material impact on the company's financial position and results.

### **2012 Annual General Meeting**

The Annual General Meeting of BE Group will be held on Wednesday, April 25, 2012, at 4:00 p.m. at Restaurant Hipp, Kalendegatan 12, Malmö, Sweden. Further information is available on the company's website.

### **Dividend proposal**

The Board of Directors proposes that a cash dividend of SEK 0.25 per share be paid to shareholders, corresponding to 61 percent of profit after tax. According to BE Group's dividend policy, the Group will distribute at least 50 percent of profit after tax, over time.

### **Proposed composition of the Board**

The Nominating Committee proposes that Anders Ullberg be re-elected as the Chairman of the Board of BE Group AB (publ) and that Petter Stillström be elected as a new Board member. Petter Stillström is the President of AB Traction.

The proposal also includes the re-election of Board members Roger Bergqvist, Cecilia Edström, Marita Jaatinen and Lars Olof Nilsson. Lars Spongberg has declined re-election.

### **Significant risks and uncertainties**

BE Group's profits and financial position are affected by a large number of factors. The principal risks and factors of uncertainty can be divided into sector and market risks, strategic and operational risks, and financial risks. Fluctuations in economic trends and steel prices, together with changes among suppliers, customers and personnel represent risk factors that affect the Group's financial performance and cash flows. The financial risks consist of currency, interest-rate, refinancing and credit risks.

The financial risk exposure is explained in the 2011 Annual Report, which was published in March 2012. No new significant risks or uncertainties have arisen since that date.

### **Accounting principles**

The interim report is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company's financial statements are prepared in compliance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

Refer to the 2011 Annual Report for details of the Group's accounting principles and definitions of certain terms. The principles applied are unchanged in relation to those applied in the Annual Report. In other regards, the new standards and interpretations that have entered force effective from the 2012 financial year have had no effect on the financial reporting.

## Future reporting dates

During 2012, BE Group AB (publ) intends to publish financial information on the following dates:

- The Interim Report for January-June 2012 will be published on July 18, 2012.
- The Interim Report for January-September 2012 will be published on October 24, 2012.
- The Year-end Report for 2012 will be published in February 2013.

Financial information is available in Swedish and English from BE Group's website and can be ordered by calling +46 (0)40 38 42 00 or e-mailing: [info@begroup.com](mailto:info@begroup.com)

*Malmö, April 25, 2012,  
BE Group AB (publ)*



**Roger Johansson**  
*President and CEO*

*This report has not been reviewed by the company's auditors.*

### **Questions concerning this report may be directed to:**

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This interim report presents information that BE Group AB (publ) is required to disclose pursuant to the Swedish Securities Exchange and Clearing Operations Act and/or the Swedish Financial Instruments Trading Act. This information was submitted for publication on April 25, 2012 at 7.45 a.m. CET.

## Condensed consolidated income statement

(SEK M)	Note	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Net sales		1,436	1,519	5,941	5,858
Cost of goods sold		-1,239	-1,304	-5,173	-5,108
<b>Gross profit</b>		<b>197</b>	<b>215</b>	<b>768</b>	<b>750</b>
Selling expenses		-123	-125	-504	-502
Administrative expenses		-42	-43	-160	-159
Other operating income and expenses	1	2	-3	-14	-9
Participation in joint venture		1	1	6	6
<b>Operating profit/loss</b>		<b>35</b>	<b>45</b>	<b>96</b>	<b>86</b>
Financial items		-9	-9	-48	-48
<b>Profit/loss before tax</b>		<b>26</b>	<b>36</b>	<b>48</b>	<b>38</b>
Tax		-7	-13	-28	-22
<b>Profit/loss for the period</b>		<b>19</b>	<b>23</b>	<b>20</b>	<b>16</b>
Amortization of intangible assets		5	4	20	21
Depreciation of tangible assets		11	11	44	44
Earnings per share		0.38	0.46	0.41	0.32
Earnings per share after dilution		0.38	0.46	0.41	0.32

## Consolidated statement of comprehensive income

(SEK M)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
<b>Profit/loss for the period</b>	<b>19</b>	<b>23</b>	<b>20</b>	<b>16</b>
<b>Other comprehensive income</b>				
Translation differences	-2	-2	-4	-4
Hedging of net investments in foreign subsidiaries	1	0	3	4
Tax attributable to items in other comprehensive income	0	0	-1	-1
<b>Total other comprehensive income</b>	<b>-1</b>	<b>-2</b>	<b>-2</b>	<b>-1</b>
<b>Comprehensive income for the period</b>	<b>18</b>	<b>21</b>	<b>18</b>	<b>15</b>

### Note 1 Non-recurring items

(SEK M)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Reversal of provision for guarantee to property owner	-	-	15	15
Costs for profitability enhancement measures	-	-	-26	-26
Closure of the Danish operations	-	-4	-4	-
<b>Total non-recurring items</b>	<b>-</b>	<b>-4</b>	<b>-15</b>	<b>-11</b>

## Condensed consolidated balance sheet

(SEK M)	2012 31 Mar	2011 31 Mar	2011 31 Dec
Goodwill	694	696	693
Other intangible assets	90	81	87
Tangible assets	299	279	300
Investment in joint venture	125	129	124
Financial assets	2	2	2
Deferred tax assets	20	30	19
<b>Total non-current assets</b>	<b>1,230</b>	<b>1,217</b>	<b>1,225</b>
Inventories	679	807	605
Accounts receivables	697	762	529
Other receivables	95	95	100
Cash and equivalents	104	146	146
Assets held for sale	2	2	2
<b>Total current assets</b>	<b>1,577</b>	<b>1,812</b>	<b>1,382</b>
<b>Total assets</b>	<b>2,807</b>	<b>3,029</b>	<b>2,607</b>
<b>Equity</b>	<b>824</b>	<b>811</b>	<b>805</b>
Non-current interest-bearing liabilities	851	854	852
Provisions	1	16	1
Deferred tax liability	58	67	58
<b>Total non-current liabilities</b>	<b>910</b>	<b>937</b>	<b>911</b>
Current interest-bearing liabilities	61	77	69
Accounts payables	802	952	637
Other current liabilities	197	234	167
Other current provisions	13	18	18
<b>Total current liabilities</b>	<b>1,073</b>	<b>1,281</b>	<b>891</b>
<b>Total equity and liabilities</b>	<b>2,807</b>	<b>3,029</b>	<b>2,607</b>



## Condensed consolidated cash-flow statement

(SEK M)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Profit/loss before tax	26	36	48	38
Adjustment for non-cash items	13	16	57	54
Income tax paid	-7	-7	-21	-21
Change in working capital	-47	44	100	9
<b>Cash flow from operating activities</b>	<b>-15</b>	<b>89</b>	<b>184</b>	<b>80</b>
Investments in intangible assets	-6	-3	-25	-28
Investments in tangible assets	-10	-16	-78	-72
Acquisitions of subsidiaries	-	-7	-7	-
Other cash flow from investing activities	0	0	2	2
<b>Cash flow after investments</b>	<b>-31</b>	<b>63</b>	<b>76</b>	<b>-18</b>
Cash flow from financing activities	-11	3	-7	-21
<b>Cash flow for the period</b>	<b>-42</b>	<b>66</b>	<b>69</b>	<b>-39</b>
Exchange-rate difference in cash and equivalents	0	0	-3	-3
<b>Change in cash and equivalents</b>	<b>-42</b>	<b>66</b>	<b>66</b>	<b>-42</b>

## Condensed statement of changes in equity

(SEK M)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
<b>Equity at beginning of period</b>	<b>805</b>	<b>787</b>	<b>787</b>	<b>811</b>
Effect of changed accounting principles	-	-	-	-
<b>Adjusted equity at beginning of period</b>	<b>805</b>	<b>787</b>	<b>787</b>	<b>811</b>
Comprehensive income for the period	18	21	18	15
Acquisition/sales of treasury shares	0	2	-3	-5
Share Savings Scheme	1	1	3	3
<b>Equity at end of period</b>	<b>824</b>	<b>811</b>	<b>805</b>	<b>824</b>

## Segment reporting

### Net sales per segment

(SEK M)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
<b>Sweden</b>	<b>698</b>	<b>740</b>	<b>2,843</b>	<b>2,801</b>
- External	691	729	2,806	2,768
- Internal	7	11	37	33
<b>Finland</b>	<b>499</b>	<b>546</b>	<b>2,055</b>	<b>2,008</b>
- External	489	536	2,007	1,960
- Internal	10	10	48	48
<b>CEE</b>	<b>271</b>	<b>264</b>	<b>1,167</b>	<b>1,174</b>
- External	252	254	1,125	1,123
- Internal	19	10	42	51
<b>Parent Company and consolidated items</b>	<b>-32</b>	<b>-31</b>	<b>-124</b>	<b>-125</b>
<b>Group</b>	<b>1,436</b>	<b>1,519</b>	<b>5,941</b>	<b>5,858</b>

### Shipped tonnage per segment (thousands of tonnes)

	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Sweden	57	59	224	222
Finland	46	49	178	175
CEE	39	35	158	162
Parent Company and consolidated items	-4	-3	-14	-15
<b>Group</b>	<b>138</b>	<b>140</b>	<b>546</b>	<b>544</b>

### Operating profit/loss (EBIT) per segment

(SEK M)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Sweden	20	17	83	86
Finland	25	33	87	79
CEE	-4	3	-35	-42
Parent Company and consolidated items	-6	-8	-39	-37
<b>Group</b>	<b>35</b>	<b>45</b>	<b>96</b>	<b>86</b>

### Operating margin per segment

	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Sweden	2.8%	2.3%	2.9%	3.1%
Finland	5.0%	6.1%	4.2%	3.9%
CEE	-1.5%	1.0%	-3.0%	-3.6%
<b>Group</b>	<b>2.5%</b>	<b>2.9%</b>	<b>1.6%</b>	<b>1.5%</b>

## Segment reporting

### Underlying operating profit/loss (uEBIT) per segment<sup>1)</sup>

(SEK M)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Sweden	22	21	91	92
Finland	33	33	93	93
CEE	-6	1	-17	-24
Parent Company and consolidated items	-6	-8	-36	-34
<b>Group</b>	<b>43</b>	<b>47</b>	<b>131</b>	<b>127</b>

<sup>1)</sup> Operating profit/loss (EBIT) adjusted for inventory gains and losses and non-recurring items. Inventory gains and losses are the differences between the cost of goods sold at acquisition value and the cost of goods sold at replacement cost. The company's internal model is used to calculate inventory gains and losses and has not been subject for review by the company's auditor.

### Underlying operating margin per segment

	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Sweden	3.1%	2.8%	3.2%	3.3%
Finland	6.7%	6.1%	4.5%	4.6%
CEE	-2.1%	0.2%	-1.5%	-2.0%
<b>Group</b>	<b>3.0%</b>	<b>3.1%</b>	<b>2.2%</b>	<b>2.2%</b>

### Depreciation per segment

(SEK M)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Sweden	5	4	18	19
Finland	4	5	21	20
CEE	3	3	11	11
Parent Company and consolidated items	4	3	14	15
<b>Group</b>	<b>16</b>	<b>15</b>	<b>64</b>	<b>65</b>

### Investments in tangible and intangible assets per segment

(SEK M)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Sweden	2	16	52	38
Finland	6	8	24	22
CEE	4	1	15	18
Parent Company and consolidated items	5	3	21	23
<b>Group</b>	<b>17</b>	<b>28</b>	<b>112</b>	<b>101</b>

## Key data

(SEK M unless otherwise stated)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
<b>Earnings measurements</b>				
Operating profit/loss (EBIT)	35	45	96	86
<b>Margin measurements</b>				
Gross margin	13.7%	14.1%	12.9%	12.8%
Operating margin	2.5%	2.9%	1.6%	1.5%
<b>Capital structure</b>				
Net debt	806	783	773	806
Net debt/equity ratio	97.8%	96.5%	95.9%	97.8%
Equity/assets ratio	29.4%	26.8%	30.9%	29.4%
Working capital (average)	452	499	525	516
Operating capital (average)	1,602	1,610	1,659	1,659
Operating capital (excluding intangible assets) (average)	821	836	879	877
Working capital tied-up	7.9%	8.2%	8.8%	8.8%
<b>Return</b>				
Return on operating capital (%)	8.8%	11.1%	5.8%	5.2%
Return on operating capital (excluding intangible assets) (%)	19.5%	23.5%	13.2%	12.2%
Return on equity (%)	9.2%	11.5%	2.5%	1.9%
<b>Per share data</b>				
Earnings per share (SEK)	0.38	0.46	0.41	0.32
Earnings per share after dilution (SEK)	0.38	0.46	0.41	0.32
Equity per share (SEK)	16.68	16.36	16.31	16.68
Cash flow from operating activities per share (SEK)	-0.30	1.80	3.72	1.62
Shares outstanding at period end (thousands)	49,409	49,590	49,376	49,409
Average number of shares (thousands)	49,388	49,505	49,546	49,507
Diluted average number of shares (thousands)	49,415	49,550	49,564	49,545
<b>Other</b>				
Average number of employees	921	935	943	945

## Supplementary disclosures

(SEK M unless otherwise stated)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
<b>Sales by main products</b>				
Long steel	377	439	1,685	1,623
Flat steel	532	552	2,123	2,103
Reinforcement steel	144	117	559	586
<i>Total commercial steel</i>	<i>1,053</i>	<i>1,108</i>	<i>4,367</i>	<i>4,312</i>
Stainless steel	246	267	1 009	988
Aluminium	71	85	329	315
Other	66	59	236	243
<b>Total sales</b>	<b>1,436</b>	<b>1,519</b>	<b>5,941</b>	<b>5,858</b>
<b>Growth</b>				
Sales growth	-5%	41%	16%	5%
– organic tonnage growth	-1%	23%	12%	5%
– price and mix changes	-4%	20%	5%	1%
– currency effects	0%	-5%	-3%	-1%
– acquisitions	-	3%	2%	-
<b>Adjusted earnings measurements</b>				
Underlying operating profit/loss (uEBIT)	43	47	131	127
Underlying EBITA	48	51	151	148
<b>Adjusted margin measurements</b>				
Underlying gross margin	14.2%	13.9%	13.3%	13.3%
Underlying operating margin	3.0%	3.1%	2.2%	2.2%
Underlying EBITA margin	3.3%	3.3%	2.5%	2.5%
<b>Adjusted return</b>				
Underlying return on operating capital (excluding intangible assets)	23.3%	24.2%	17.1%	16.8%
<b>Adjusted per share data</b>				
Underlying earnings per share (SEK)	0.50	0.50	1.02	1.02
Underlying earnings per share after dilution (SEK)	0.50	0.50	1.02	1.02
<b>Adjusted capital structure</b>				
Net debt/underlying EBITDA (multiple)	-	-	4.0	4.2
<b>Other</b>				
Inventory gains and losses	-8	2	-20	-30
Shipped tonnage (thousands of tonnes)	138	140	546	544
Average sales prices (SEK/kg)	10.41	10.86	10.89	10.77

## Condensed parent company income statement

(SEK M)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Net sales	15	14	55	-56
Administrative expenses	-24	-24	-92	-92
Other operating income and expenses	0	0	-1	-1
<b>Operating profit/loss</b>	<b>-9</b>	<b>-10</b>	<b>-38</b>	<b>-37</b>
Financial items	30	20	13	23
<b>Profit/loss before tax</b>	<b>21</b>	<b>10</b>	<b>-25</b>	<b>-14</b>
Tax	4	5	0	-1
<b>Profit/loss for the period</b>	<b>25</b>	<b>15</b>	<b>-25</b>	<b>-15</b>

## Statement of comprehensive income – parent company

(SEK M)	2012 Jan-Mar	2011 Jan-Mar	2011 Full-year	Rolling 12 months
Profit/loss for the period	25	15	-25	-15
Other comprehensive income	-	-	-	-
<b>Comprehensive income for the period</b>	<b>25</b>	<b>15</b>	<b>-25</b>	<b>-15</b>

## Condensed parent company balance sheet

(SEK M)	2012 31 Mar	2011 31 Mar	2011 31 Dec
Intangible assets	72	63	71
Tangible assets	0	0	0
Financial assets	1,354	1,393	1,354
Interest-bearing receivables, Group companies	54	53	53
Deferred tax assets	-	1	-
<b>Total non-current assets</b>	<b>1,480</b>	<b>1,510</b>	<b>1,478</b>
Current interest-bearing receivables, Group companies	255	235	225
Receivables, Group companies	94	48	98
Other operating receivables	16	16	21
Cash and equivalents	37	82	73
<b>Total current assets</b>	<b>402</b>	<b>381</b>	<b>417</b>
<b>Total assets</b>	<b>1,882</b>	<b>1,891</b>	<b>1,895</b>
<b>Equity</b>	<b>852</b>	<b>868</b>	<b>826</b>
Non-current interest-bearing liabilities	836	838	835
Provisions	1	1	1
<b>Total non-current liabilities</b>	<b>837</b>	<b>839</b>	<b>836</b>
Current interest-bearing liabilities, Group companies	154	123	193
Accounts payables	1	5	6
Liabilities to Group companies	7	16	19
Other current liabilities	31	40	15
<b>Total current liabilities</b>	<b>193</b>	<b>184</b>	<b>233</b>
<b>Total equity and liabilities</b>	<b>1,882</b>	<b>1,891</b>	<b>1,895</b>
<b>Pledged assets</b>	<b>1,306</b>	<b>1,308</b>	<b>1,309</b>
<b>Contingent liabilities</b>	<b>65</b>	<b>89</b>	<b>80</b>

## Key data – multi-quarter summary

	2012	2011	2011	2011	2011	2010	2010	2010	2010
(SEK M unless otherwise stated)	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net sales	1,436	1,405	1,420	1,597	1,519	1,383	1,273	1,399	1,074
<b>Earnings measurements</b>									
Operating profit/loss (EBIT)	35	-19	4	66	45	-8	48	86	-28
Underlying operating profit/loss (uEBIT)	43	18	23	43	47	7	32	46	-10
Underlying EBITA	48	23	28	49	51	11	37	47	-8
<b>Margin measurements</b>									
Operating margin	2.5%	-1.4%	0.3%	4.2%	2.9%	-0.6%	3.8%	6.2%	-2.6%
Underlying operating margin	3.0%	1.3%	1.6%	2.7%	3.1%	0.5%	2.5%	3.3%	-0.9%
Underlying EBITA margin	3.3%	1.6%	1.9%	3.1%	3.3%	0.8%	2.9%	3.4%	-0.8%
<b>Capital structure</b>									
Net debt	806	773	924	851	783	842	876	832	814
Net debt/equity ratio	97.8%	95.9%	107.7%	98.2%	96.5%	107.0%	107.9%	104.4%	107.1%
Equity/assets ratio	29.4%	30.9%	29.2%	29.1%	26.8%	29.9%	29.7%	29.2%	29.2%
Operating capital (excluding intangible assets) (average)	821	897	964	873	836	916	947	888	857
Working capital tied-up	7.9%	9.4%	10.5%	8.2%	8.2%	10.4%	11.7%	9.2%	10.9%
<b>Return</b>									
Return on operating capital (excluding intangible assets)	19.5%	-6.4%	3.7%	33.1%	23.5%	-1.7%	22.4%	39.3%	-7.0%
Underlying return on operating capital (excluding intangible assets)	23.3%	10.5%	11.5%	22.7%	24.2%	5.0%	15.8%	21.3%	-3.8%
Return on equity	9.2%	-17.7%	-4.7%	21.0%	11.5%	-9.1%	12.9%	23.4%	-12.8%
<b>Per share data</b>									
Earnings per share (SEK)	0.38	-0.74	-0.20	0.89	0.46	-0.37	0.52	0.92	-0.50
Underlying earnings per share (SEK)	0.50	-0.12	0.09	0.55	0.50	-0.13	0.29	0.31	-0.23
Equity per share (SEK)	16.68	16.31	17.30	17.47	16.36	15.90	16.39	16.02	15.28
Cash flow from operating activities per share (SEK)	-0.30	3.27	-1.04	-0.31	1.80	1.18	-0.89	-0.39	-1.05
<b>Other</b>									
Average number of employees	921	949	962	955	935	889	882	887	882
Inventory gains and losses	-8	-26	-19	23	2	-15	16	40	-18
Shipped tonnage (thousands of tonnes)	138	132	131	143	140	126	116	133	114
Average sales prices (SEK/kg)	10.41	10.66	10.81	11.20	10.86	10.98	11.00	10.49	9.44

## Definitions of key data

### SUPPLEMENTARY DISCLOSURES

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#### Growth

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Sales growth	Change in net sales from the preceding period in percent.
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#### Adjusted earnings measurements

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Underlying operating profit/loss (uEBIT)	Operating profit/loss (EBIT) before non-recurring items adjusted for inventory gains and losses (deductions for gains and additions for losses).
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Underlying EBITA	EBITA before non-recurring items adjusted for inventory gains and losses (deductions for gains and additions for losses).
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#### Adjusted margin measurements

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Underlying gross margin	Underlying gross profit as a percentage of net sales. The underlying gross profit is the reported gross profit adjusted for inventory gains and losses (deductions for gains and additions for losses).
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Underlying operating margin	Underlying operating profit/loss (uEBIT) as a percentage of net sales.
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Underlying EBITA margin	Underlying EBITA as a percentage of net sales.
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#### Adjusted return

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Underlying return on operating capital (excluding intangible assets)	Annualized underlying EBITA as a percentage of average operating capital excluding goodwill and other intangible assets.
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#### Adjusted per share data

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Underlying earnings per share (SEK)	Profit for the period before non-recurring items adjusted for inventory gains and losses (deductions for gains and additions for losses) and including the tax effect of the adjustments divided by the average number of shares during the period.
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Underlying earnings per share after dilution (SEK)	Profit for the period before non-recurring items adjusted for inventory gains and losses (deductions for gains and additions for losses) and including the tax effect of the adjustments divided by the average number of shares after dilution during the period.
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#### Adjusted capital structure

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Net debt/underlying EBITDA	Annualized net debt divided by underlying EBITDA. Underlying EBITDA is EBITDA before non-recurring items and adjusted for inventory gains and losses (deductions for gains and additions for losses). EBITDA is operating profit before depreciation and amortization.
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#### Other

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Inventory gains and losses	The difference between the cost of goods sold at acquisition value and the cost of goods sold at replacement cost.
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Please refer to the 2011 annual report for other definitions of key data.